

**Vermillion County, Indiana**  
**2007 Pay 2008 Budget Order**

An analysis of the data with the 2007 Pay 2008 Budget Order for Vermillion County shows that the budgets, levies and tax rates to be approved are in compliance with Indiana statutes.

Vermillion County has no cross-county units.

Vermillion County has no conservancy districts.

**Changes in Local Tax Levies**

Tax levy increases are made up of routine increases in controlled levies, increases in tax rate controlled levies and debt service levies. Controlled levies increase based on an annual growth factor or excess levy appeals. Tax rate controlled levies increase based on increases in assessed value applied to a specific tax rate (tax rates are adjusted downward to eliminate the effect of reassessment or trending).

The total net increase in tax levy for Pay 2008 on a county-wide basis was approximately \$172,367 or 0.80%. Following are the levy changes that were greater than \$1 million or a 10% change over the previous year levy. The largest total dollar increase in levy was due to the County Unit (\$466,489).

Vermillion County

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$4,729,725	\$4,711,760	-\$17,965	-0.38%
Health	37,844	120,311	82,467	217.91%
Children's Psychiatric Res Treatment	57,924	-0-	-57,924	-100.00%

Vermillion County Welfare

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Welfare - Family and Children	\$177,635	\$618,741	\$441,106	248.32%

Total County levy increased by \$466,489 or 8.05%.

North Vermillion Community School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$1,965,374	\$2,005,700	\$40,326	2.05%
Debt Service	1,486,591	1,414,374	-72,217	-4.86%
Capital Projects	717,726	799,675	81,949	11.42%

Total School levy increased \$61,286 or 1.31%.

South Vermillion Community School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$3,318,593	\$3,155,367	-\$163,226	-4.92%
Capital Projects	2,306,261	2,025,404	-280,857	-12.18%
Bus Replacement	446,770	322,708	-124,062	-27.77%

Total School levy decrease of \$420,944 or 5.02%.

No units in the County exceeded the working maximum levy. All units in the County levied up to or near their working maximum levy.

No units in the County exceeded the normal statutory growth rate for controlled fund levies.

**Changes in Real Property Gross Assessed Values**

Real Property Gross Assessed Values increases by property class are as follows.

<u>Class</u>	<u>% Increase</u>
Agriculture	14.72%
Mining	0.00%
Industrial	27.21%
Commercial	-4.36%
Residential	0.72%
Exempt	-42.78%
Utility	0.00%

Changes in the proportion of Gross Assessed Value by Class can create a burden shift from one class to another. The proportion (mix) of values of real property by class (this can represent the relative tax burden by class, except that it does not include the impact of deductions or credits).

<u>Class</u>	<u>2007 Ratio</u>	<u>2008 Ratio</u>
Agriculture	23.32%	25.92%
Mineral	0.18%	0.17%
Industrial	7.78%	9.58%
Commercial	10.41%	9.65%
Residential	53.03%	51.75%
Exempt	5.28%	2.93%
Utility	0.00%	0.00%

As can be seen from the analysis, a shift from residential, mineral, exempt, and commercial property to agricultural and industrial property occurred. This shift was approximately 3.40%.

## Change in Net Tax Rates

Changes in net tax rate by district were as follows.

<u>District</u>	<u>Change in NAV</u>	<u>Change in Levy</u>	<u>Change in Gross Tax Rate</u>	<u>Change in Business Personal Property Net Tax Rate</u>	<u>Change in Real Estate and Other Personal Property Net Tax Rate</u>	<u>Change in Homestead Net Tax Rate</u>
CLINTON TOWNSHIP	6.00%	1.21%	-4.52%	-2.64%	-1.62%	-12.43%
CLINTON CIVIL CITY	-3.39%	-4.17%	-0.81%	1.11%	2.36%	-10.88%
FAIRVIEW PARK CIVIL TOWN	-4.99%	-7.74%	-2.89%	-0.86%	0.29%	-11.06%
UNIVERSAL CIVIL TOWN	0.92%	-2.93%	-3.81%	-1.85%	-0.65%	-11.98%
EUGENE TOWNSHIP	24.00%	16.72%	-5.87%	-3.76%	-2.83%	-13.83%
CAYUGA CIVIL TOWN	1.69%	-2.20%	-3.83%	-2.08%	-0.76%	-14.65%
HELT TOWNSHIP	4.03%	-0.58%	-4.43%	-2.37%	-1.23%	-12.26%
DANA CIVIL TOWN	-0.72%	-4.06%	-3.37%	-1.61%	-0.20%	-13.34%
HIGHLAND TOWNSHIP	5.17%	-0.75%	-5.63%	-3.50%	-2.56%	-13.69%
PERRYSVILLE CIVIL TOWN	1.08%	-3.50%	-4.52%	-2.53%	-1.42%	-13.99%
VERMILLION TOWNSHIP	0.75%	-5.43%	-6.13%	-4.09%	-3.10%	-14.26%
NEWPORT CIVIL TOWN	-6.73%	-10.37%	-3.90%	-1.84%	-0.75%	-13.54%
Average	5.76%	0.80%	-3.99%	-2.01%	-0.87%	-12.92%

Downward pressure on tax rates came from increases in Assessed Value due to trending and the increased Homestead Credit rate.

Upward pressure on tax rates came from increases in tax levies, especially debt levies that don't benefit from PTRC.

The estimated reduction in net homestead tax bills for Vermillion County is 31.09%.

## Assessment Status

The DLGF has prepared an analysis of assessed valuation change by property class based on a review of parcel data. The results of this analysis are summarized in the table below:

Percent of Parcels with Identified Assessed Valuation Change

Property Class	<u>Decrease</u>	<u>No Change</u>	<u>0 – 10% Increase</u>	<u>10 – 30% Increase</u>	<u>30 – 100% Increase</u>	<u>More Than Doubled</u>
Commercial	3.0%	29.6%	64.6%	2.1%	0.2%	0.4%
Industrial	0.0%	14.0%	14.0%	69.8%	2.3%	0.0%
Residential	37.8%	34.9%	21.8%	5.1%	0.3%	0.1%
Overall	28.4%	30.9%	20.0%	17.9%	2.7%	0.1%

**TIF Neutralization Worksheets**

The County has several Tax Increment Areas. A Tax Increment Financing (TIF) Neutralization Worksheet must be completed for each TIF District in order to calculate tax increment generated by real property growth rather than increases in assessed valuation due to reassessment or trending. The TIF Neutralization Worksheets were reviewed for both numerical accuracy and for logical analysis and completeness.